TO:

Task Force Members

FROM:

Dan Grimm

DATE:

07 December 2008

RE:

Tax Increase Proposal

In response to Governor Gregoire's letter dated December 5, 2008, I will be revising my proposal to include tax increases sufficient to pay for the increased public school expenditures I have recommended. Pending a review of more refined options, I propose an extension of the sales tax to consumer, business, medical, and financial services.

The state's current financial situation makes it imperative for Task Force members to support tax increases necessary to pay for their spending proposals. Members who fail to do so will expose their recommendations as promises to be kept only if it's politically convenient — a fruitless and irresponsible exercise.

Proposing cuts in other state programs and services is impractical. A \$3 billion increase in the budget for schools over the next two years would require cutting the rest of the budget by something close to fifty percent. Phasing the increased spending over several years will reduce the initial cost but commit the state to financial obligations that assume a quick and robust economic recovery, a strategy identical to the mortgage lending practices that created our current economic distress.

Proposing an increase in the share of the state budget as a way to increase school funding is equally impractical, an idea fundamentally flawed by the assumption that other state expenditures should remain static. School funding may be the state's paramount obligation but it is not inseparable from other essential state programs and services. Ironically, the share of the budget devoted to schools will increase next year simply because of the cuts that will be made in other programs.

I commend the Full Funding Coalition and the sponsors of its proposal for their willingness to identify a source of revenue that would pay for a portion of the spending they propose. If members lack the courage of their convictions, their convictions should be reduced to match their courage. Numerous proposals before the Task Force would improve our school system without requiring increased expenditures.

Attached for your consideration are four proposed amendments and explanations, all extracted from the proposal I submitted several weeks ago:

- 1. Basic Education definition.
- Collective bargaining.
- 3. Early Learning.
- 4. Principal continuing contract rights.

BASIC EDUCATION DEFINITION

The proposal should be amended to stipulate the state will offer instructional programs sufficient to provide students with a reasonable opportunity to meet college admission standards.

Senate Bill 5627 stipulates the Task Force should "propose a new definition of basic education that is realigned with the new expectations of the state's education system as established in the... final report of... Washington Learns." The Washington Learns report, in turn, asserts that the state "must... set clear goals" for our public schools (page seven) and "align high school graduation requirements and college admission standards" (page 34).

Students who meet the requirements would be guaranteed admission to one or more of the state's four-year public colleges and universities.

Aligning graduation standards with college admission requirements will set a clear goal for our schools and create an incentive for students to achieve their full academic potential. Successful completion of graduation requirements would be directly tied to -- and rewarded by -- specific opportunities following graduation. A diploma won't just "mean something;" it will mean a lot.

The State Board of Education is proposing increased graduation requirements known as Core 24. The requirements, however, are limited to a list of course titles. Absent measurable academic achievement standards, the Board's recommendations will establish educational goals with no more meaning than high school diplomas had before the advent of the WASL graduation test.

Based on the increased number of classroom hours necessary to accommodate Core 24 requirements, the proposal before us calls for enormous increases in funding for which the state has no money and for which there would be no commensurate increase in accountability imposed on schools or students. Unchanged, the proposal will be a fruitless exercise.

The amendment would assign to the Higher Education Coordinating Board responsibility for developing college admission requirements, with final approval vested with the Governor and Legislature. Requirements would be based on standardized achievement test performance.

The amendment would not require students to meet college admission requirements in order to receive a diploma. Students who meet the standards would receive a Certificate of Academic Mastery. Students who pass the WASL and complete assigned course requirements but do not pass the standardized college admission achievement tests would receive the Certificate of Academic Achievement provided by existing law. Certificates of Individual Achievement also would be awarded in accordance with existing law. Certificate of Academic Completion would be awarded at the discretion of local districts.

COLLECTIVE BARGAINING

1

The proposal should be amended to recommend the transfer of teacher collective bargaining from local districts to the state.

The current system creates an inequitable distribution of compensation and educational opportunities with no justification other than the availability of inequitable and unreliable local levies.

The amendment would retain all existing employee bargaining rights and local districts would retain the authority to hire additional staff with local levy funds. The Governor would be able to delegate negotiating authority to local districts but the Governor and Legislature would be responsible for final approval of all agreements.

Transferring negotiations will align the state's authority with its obligations and impose clear accountability for fully funding the cost of basic education, an obligation the state has evaded by commingling state and local funds.

The proposed revision of the TRI compensation system acknowledges but does not solve the problems of inequitable pay and inequitable educational opportunities. Local bargaining will continue to:

- Divert funds from staffing ratios to compensation.
- Encourage contracts that extend far beyond the ability of local officials to project the implications of their concessions.
- Perpetuate contracts that base compensation on concessions extracted from selected school districts without regard to broader labor markets.

In addition to improving equity and accountability, state collective bargaining will promote innovations such as differential pay for math and science teachers, regional cost-of-living differences, and merit bonuses based on student performance. Local districts currently have the authority to negotiate such innovations. The lack of such innovations is as predictable as it is regrettable.

EARLY LEARNING

The proposal should be amended to recommend establishing Early Learning programs for atrisk pre-school children as a basic education obligation of the state.

Evidence presented to the Task Force convincingly demonstrates the benefit of providing appropriate educational opportunities to pre-school children at risk of failing to meet state academic achievement standards. To be successful, the programs must be based on state instructional guidelines and should be provided by certificated teachers. Simply calling a program "Early Learning" does not guarantee any real learning will take place.

Early Learning programs should be administered by the Superintendent of Public Instruction to provide for a seamless transition from pre-school to regular school programs. The Department of Early Learning should be eliminated and the Superintendent should be authorized to hire appropriately qualified staff, consistent with the recommendation of Washington Learns that the state should "shift [its] thinking away from that of separate, independent education delivery systems."

Early Learning programs should be integrated with other programs for at-risk students, including the Learning Assistance Program (LAP) and the English Language Learners program (ELL). Funding for all at-risk student programs should be separated from general school funding.

PRINCIPAL CONTINUING CONTRACT RIGHTS

The proposal should be amended to recommend the repeal of continuing contract protections for principals.

The current system of job protection for managers is contrary to prudent business practice and should be replaced with appropriate financial incentives to promote improved student performance.